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99TH CONGRESS 2d Session | HOUSE OF REPRESENTATIVES | REPORT 99-658

S184

PERMITTING THE USE AND LEASING OF CERTAIN PUBLIC LANDS IN NEVADA BY THE UNIVERSITY OF NEVADA

JUNE 25, 1986.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. UDALL, from the Committee on Interior and Insular Affairs, submitted the following

REPORT

[To accompany S. 1625]

[Including the cost estimate of the Congressional Budget Office]

The Committee on Interior and Insular Affairs, to whom was referred the bill (S. 1625) to permit the use and leasing of certain public lands in Nevada by the University of Nevada, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

This bill would direct the Secretary of the Interior to permit the University of Nevada to use certain specified lands as a site for a research and development center, "either directly or by lease".

BACKGROUND AND NEED

The lands described in S. 1625 have already been patented to the University of Nevada under the Recreation and Public Purposes Act. Some 158.22 acres of the total acreage were patented on July 17, 1972, and 309.11 acres were patented on August 29, 1974. Both parcels have the same master plan of development. The lands are being used as a research facility for the Desert Research Institute and a campus for Western Nevada Community College.

The University of Nevada requested a change in the use of both parcels. The University's proposed development plan involved leasing the lands to private research and development interests for their principal use.

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The Bureau of Land Management and the Department's Office of the Solicitor concluded that use of lands for a research center developed by and for private companies would be inconsistent with the Recreation and Public Purposes Act and would trigger the reversionary clause. This legislation would permit the lands to be leased by the University.

In its reports on S. 1625 and a companion House bill (H.R. 3624), the Administration expressed opposition to such legislation and has stated that it believes that a change in use as requested by the University "is inappropriate absent the payment of fair market value by the University."

SECTION-BY-SECTION ANALYSIS

As reported, the bill is in a single section of two subsections.

Subsection (a) provides that notwithstanding the provisions of the Recreation and Public Purposes Act, the Secretary of the Interior shall permit the University of Nevada "to use (either directly or by lease)" the lands described in subsection (b) as a site for a research and development center.

Subsection (b) provides a legal description of the lands covered by the bill, which contain about 158.22 acres.

OVERSIGHT STATEMENT

The Committee on Interior and Insular Affairs will have continuing responsibility for oversight of the implementation of S. 1625 after its enactment. No reports or recommendations were received by the Committee pursuant to rule X, clause 2(b)(2) of the Rules of the House of Representatives.

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2 of rule XI of the Rules of the House of Representatives, the Committee finds that enactment of S. 1625 will have no inflationary impact on the national economy.

COST AND BUDGET ACT COMPLIANCE

In the opinion of the Committee, enactment of S. 1625 will not result in significant costs. The estimate of the Congressional Budget Office is as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 19, 1986.

Hon. MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Longworth House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 1625, an act to permit the use and leasing of certain public lands in Nevada by the University of Nevada, as ordered reported by the House Committee on Interior and Insular Affairs, June 18, 1986.

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The act would override a public purpose use clause on 470 acres of former public lands now owned by the University of Nevada to allow the university to use the land for a research and development center. Based on our review, we estimate that enactment of S. 1625 would result in no cost to the federal government or to state or local governments.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

RUDOLPH G. PENNER.

LEGISLATIVE HISTORY AND COMMITTEE RECOMMENDATION

S. 1625 passed the Senate on May 2, 1986. The Subcommittee on Public Lands held a hearing on the bill on June 5, 1986, and on June 12, 1986 referred it favorably to the full Committee. On June 18, 1986, the Committee on Interior and Insular Affairs ordered it favorably reported to the House by a unanimous voice vote.

DEPARTMENTAL REPORT

The report of the Department of the Interior on H.R. 3624—the companion of S. 1625—dated December 16, 1985, follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, December 16, 1985.

Hon. MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This responds to your request for our views on H.R. 3624, a bill "To authorize the conveyance of 470 acres in Nevada to the University of Nevada for use as a research and development center."

We oppose enactment of H.R. 3624.

H.R. 3624 would direct the Secretary of the Interior to convey at no cost approximately 470 acres of land to the University of Nevada, notwithstanding the Recreation and Public Purposes Act, in order to create a research and development center.

The lands described in H.R. 3624 have already been patented to the University of Nevada under the Recreation and Public Purposes Act, with 158.22 acres of the total acreage being patented on July 17, 1972, and 309.11 acres being patented on August 29, 1974. The lands are currently being used as a research facility for the Desert Research Institute and a campus for Western Nevada Community College.

Some time ago, the University of Nevada requested a change in the use of both parcels. The University's proposed development plan involved leasing the lands to private research and development interests for their principal use. The Bureau of Land Management and the Department's Office of the Solicitor concluded that use of lands for a research center developed by and for private companies would be inconsistent with the Recreation and Public Purposes Act. Development of the research park would transfer

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control of the lands to private companies for their use, and such use would not necessarily be a public use, thereby violating the terms of that Act. Moreover, since under the Act the Secretary of the Interior must approve any change in use and that change can only be a use for which the grantee or transferee could obtain a conveyance under the Act, we are unable to approve the change in this case absent legislation.

Since the purpose the University wishes to make of the described parcels is not that for which it was conveyed and because it would violate a key provision of the Recreation and Public Purposes Act under which the University obtained the lands at less than fair market value, we believe such a change in use is inappropriate absent the payment of fair market value by the University. Since the University apparently wants to use the lands for commercial as well as private research purposes, it should acquire the property in a manner that allows such use—that is, on the payment of fair market value.

In addition, the Recreation and Public Purposes Act requires that each patent contain a reservation to the United States of all mineral deposits in the lands conveyed together with the right to mine and remove the minerals. H.R. 3624 does not have a similar provision. If this legislation is enacted, such a provision is essential to assure that the public interest is served. There is certainly no basis for granting any minerals associated with these lands to the University at no cost.

Finally, H.R. 3624 does not mention valid existing rights. Any transfer such as this should protect any valid existing rights.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

J. STEVEN GRILES,
Deputy Assistant Secretary.

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